



# MONTANA LEGISLATIVE BRANCH

## Legislative Fiscal Division

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Legislative Fiscal Analyst  
CLAYTON SCHENCK

DATE: September 18, 2002

TO: Legislative Finance Committee

FROM: Taryn Purdy  
Principal Fiscal Analyst

RE: Section 7 of HB 2

Section 7 of HB 2 prohibits the transfer of authority from personal services to any other expenditure category, except for contract services used to directly substitute for use of personal services<sup>1</sup>. Section 7 also requires that any transfer be reported in writing to the Legislative Finance Committee.

Attached to this memo is a memo from the Office of Budget and Program Planning reporting on all transfers from personal services to operating expenses as required by HB 2. Staff has reviewed the transfer and raises no issues.

Attachment

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<sup>1</sup> Does not apply to the Montana University System.

**OFFICE OF THE GOVERNOR**  
**BUDGET AND PROGRAM PLANNING**  
STATE OF MONTANA



JUDY MARTZ  
GOVERNOR

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**To:** Clayton Schenck, Legislative Fiscal Analyst  
Legislative Fiscal Division

**From:** Chuck Swysgood, Budget Director  
Office of Budget and Program Planning

**Date:** September 16, 2002

**Subject: House Bill 2 Section 7 Report for the LFC**

This memo is to provide the Legislative Finance Committee with information in accordance with Section 7 of House Bill 2 that requires a written report on any transfer of funds from personal services to contract services.

Since the June meeting, one budget transaction has been approved by the Office of Budget and Program Planning to transfer funds from personal services.

- The Mental Disabilities Board of Visitors attached to the Governor's Office moved \$4,700 from personal services to contract services on BCD 31010 115 OP220. The Board of Visitors provides legal representation to patients at Montana State Hospital at their commitment and recommitment hearings. The attorney for the board at the hospital left for other employment and the board had difficulty recruiting for the position. In order to provide the required legal representation, the board was forced to contract with an attorney until the position can be filled.

The specific transaction document is available for you and your staff on our guest directory under the Final subdirectory. Please let me know if you have questions or wish additional information.

C: Mary Jo Murray  
Matt Bugni